

NCAER Comments by Dr Bornali Bhandari, Fellow

on

“Consultation Paper on Inputs for Formulation of National Telecom Policy – 2018 dated 3rd January, 2018”

The Telecom Regulatory Authority of India (TRAI) has issued a Consultation Paper titled "Inputs for Formulation of National Telecom Policy - 2018" on 3rd January, 2018. The key comments on the paper are:

1. Telecom Infrastructure: Provision of telecom infrastructure is key to delivery of key Government programs including Digital India, GST and Direct Benefit Transfers (DBT). The delivery of DBT programs is contingent upon availability of telecom infrastructure in rural, remote and hilly terrains. For example, at the Northeast Regional Workshop on Direct Benefit Transfer on 21st November, 2016 in Imphal, Manipur, the seven Northeastern states and Sikkim specifically pointed out the following :

“The key concern of connectivity was also tackled during the workshop. Government officials of the Northeastern states brought to the forefront that the problem of poor connectivity can be traced to the absence of a central authority to manage telecommunications in the area. The states, therefore, requested the Ministry of Telecommunications to take the lead in ensuring better connectivity through programmes such as the one being implemented in Andhra Pradesh, wherein a consolidated package comprising Internet, TV and mobile services is provided at ` 149 a month.

It was suggested that states are not equipped to map the shadow areas in the region and would thus require help from the Central Government in this task, though some work has been done in this sphere.”

http://www.ncaer.org/event_details.php?EID=182

The relevant videos of the event may be watched here.

<https://www.youtube.com/watch?v=3YaQrXzpdXy>

<https://www.youtube.com/watch?v=kawD-7lwZwI>.

It is important to provide adequate telecom infrastructure in the country by doing the following:

- A. There should a live status of dark and shadow areas of the country, which would help in turn overcome these zones. It could even be consumers driven forum.
- B. Provision on infrastructure in rural and remote zones using market incentives is challenging given the case of market failure. Economic intuition says that in cases of market failure, public provision of telecom infrastructure is key to the development of the areas.

- C. The government should mention within the objective to increase rural teledensity to 100% (page no. 11) is to have a focused policy for the Northeastern region and Sikkim to develop its infrastructure.
2. In Page 12 of 18, amongst the Common Strategies, the point (O) mentions the strategy of developing a network readiness index for States/UTs to address ROW challenges.
 - a. The NCAER and the erstwhile Department of Electronics and Information Technology née Department of Information Technology had developed e-Readiness Index of States and UTs from 2003 onwards. The link to the reports are provided here:
 1. 2003: meity.gov.in/writereaddata/files/FOREWORD_CONTENTS-1.pdf
 2. 2004: meity.gov.in/writereaddata/files/eready2004/FORWARDC.pdf
 3. 2005, 2006 and 2008: <http://meity.gov.in/content/e-readiness-assessment-states-and-union-territories>
 4. 2011-12: Can be made available on request
 - b. The recommendation is that assessment of Digital India needs to be continued.
 3. Development of Skills: The report mentions key points about development of human capital in the Consultation Paper
 - Human capital for data analytics and product development;
 - By encouraging partnership between industry and academia for development of human capital;
 - By developing digitally skilled human resources in the country;

The NCAER e-Readiness Report 2011-12 differentiates between Readiness to Use and Readiness to Produce. While the former includes basic literacy and access to phones, computers and internet, the latter represents education at the higher level that would capture the potential to enhance R&D in IT. Following this, the TRAI should also differentiate between these two components.

- Readiness to use: The TRAI should recommend programs that encourage people with or without literacy to successfully use the various programs that Government is offering its denizens including Digital India Programs such as Common Service Centres, digital training to any front line service worker who can in turn digitally train their clients like digitally training ASHA and Anganwadi workers. More voice or video based programs may help denizens overcome the challenges of low literacy and encourage usage. This may also linked to gender empowerment where programs targeting women to use their phones in an effective manner may be encouraged.
- Readiness to Produce: The industry-academia should connect along with industry linkages with the Telecom Sector Skill Council to provide vocational skilling. This is a sector, which faces significant risks of automation and therefore, the government should prepare the workforce in this sector to

transition to the Fourth Industrial Revolution. This includes training workers for not just technical training but also training them in soft skills like working in a team etc. and advanced cognitive skills such as interpretation, thinking creatively etc.

4. Provision of Statistics: Good policymaking is done based on evidence. For that we need sound statistics. The TRAI Performance Indicators is the repository of all telecom sector data. However, there is a lot that is unavailable. For example, basic teledensity and internet density data are available telecom circle wise instead of state-wise. Therefore, both Kerala and Puducherry have the same teledensity and in turns this affects the e-Readiness or DBT Readiness indices and gives misleading information about states/UTs. Data on internet state-wise are lacking. The TRAI and DOT should interact with think tanks and policymakers and statisticians on good data collection, which would in turn help policy making.
5. Serious research should be done to assess in which electronic manufacturing goods India has a comparative advantage and in which ones it can develop a comparative advantage over the next 10 years. Then we should recommend, which industries within electronic manufacturing should be encouraged.